

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 02150 251100Z

17

ACTION XMB-07

INFO OCT-01 EA-11 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SPC-03

CIEP-02 OMB-01 MC-02 L-03 DRC-01 /087 W

----- 027715

P R 250950Z FEB 74

FM AMEMBASSY MANILA

TO SECSTATE WASHDC PRIORITY 1316

INFO CINCPAC HONOLULU

DOD

JUSMAG

LIMITED OFFICIAL USE MANILA 2150

DEPARTMENT PASS EXIM BANK

E.O. 11652: N/A

TAGS: ETRN, EFIN, RP

SUBJECT: REPORTED EXIM REFUSAL OF CREDIT FOR GOP AIRCRAFT PURCHASE

REF: A) MANILA 13074 11/21/73; B) MANILA 11397 10/6/73

1. LOCKHEED-GEORGIA INTERNATIONAL SALES REPS VISITING MANILA HAVE INFORMED EMBASSY THAT EXIM ON FEB 18 REFUSED APPLICATION FOR PRELIMINARY COMMITMENT TO FINANCE GOP PURCHASE OF ONE L-100-20 FOR MID-1975 DELIVERY. REPS GAVE EMBASSY COPY OF LOCKHEED LETTER DATED FEB 4 TO EXIM GIVING DETAILS OF PROPOSED CREDIT TOTALLING \$5.1 MILLION AND NOTING MARCH 31 DEADLINE GIVEN GOP BY LOCKHEED FOR COMPLETING FINANCIAL ARRANGEMENTS AND SIGNATURE OF DEFINITIVE CONTRACT. GOP AGENCY TO PURCHASE AIRCRAFT IS PHILIPPINE AEROSPACE DEVELOPMENT CORPORATION (PADC).

2. ACCORDING LOCKHEED REPS, EXIM CITED FOLLOWING AS REASONS FOR REFUSING TO CONSIDER LOAN APPLICATION:
1) THAT GOP HAD CONCLUDED LEASE-SALE OF ONE OF ORIGINAL
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 02150 251100Z

FOUR L-100-20'S FINANCED BY EXIM; AND 2) THAT L-100-20'S

NOW OWNED BY GOP HAVE BEEN USED FOR MILITARY PURPOSES.

3. COMMENT: EMBASSY HAD UNDERSTOOD CONTRACTUAL PROBLEMS CONCERNING LEASE-SALE HAD BEEN SUCCESSFULLY RESOLVED AS DESCRIBED IN EXECUTIVE SECRETARY MELCHOR'S AUGUST 13, 1973 LETTER TO KEARNS. RE ALLEGED MILITARY USE OF CARGO AIRCRAFT (REF B), MELCHOR HAS GIVEN AMBASSADOR DETAILED STATEMENT OF GOP'S UTILIZATION OF AIRCRAFT FOR CIVIC ACTION, SOCIAL AND ECONOMIC DEVELOPMENT PROGRAMS, AND RELATED ACTIVITIES WHICH MAKE USE OF PHILIPPINE ARMED FORCES RESOURCES (COPY BEING POUCHED EA/PHL). MELCHOR POINTS TO OVERLAPPING MILITARY AND CIVILIAN FUNCTIONS IN SECTIONS OF THE COUNTRY IN WHICH PEACE AND CIVIL ORDER IS NOT ESTABLISHED AS WELL AS IN MANY REMOTE AND LESS DEVELOPED AREAS.

4. ACTION REQUESTED: SINCE LOCKHEED REPS ARE CURRENTLY DISCUSSING L-100 PURCHASE ARRANGEMENT WITH GOP OFFICIALS, REQUEST BY PRIORITY TELEGRAM DETAILS OF EXIM POSITION. ONBASIS OF INFORMATION PRESENTLY AVAILABLE, EMBASSY URGESFAVORABLE CONSIDERATION BY EXIM OF LOCKHEED APPLICATION.
SULLIVAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY AIRCRAFT, AIRCRAFT SALES, BANK LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 25 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MANILA02150
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740211/aaaaaklt.tel
Line Count: 84
Locator: TEXT ON-LINE
Office: ACTION XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A) MANILA 13074 11/21/73; B) MANILA, 11397 10/6/73
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 08 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08-Aug-2002 by worrelsw>; APPROVED <08-Aug-2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: REPORTED EXIM REFUSAL OF CREDIT FOR GOP AIRCRAFT PURCHASE
TAGS: ETRN, EFIN, RP, US, XMB
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005